



Department for
Communities and
Local Government

Non-Domestic Rates Branch
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Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (5/2014)

This is the fifth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

<https://www.gov.uk/business-rates-information-letters>,

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

This letter covers:

Business Rates - 12-monthly instalments

1. You will recall that the Government announced, at Autumn Statement 2013, that it would bring forward Regulations that would enable businesses to pay their business rate bills in 12 monthly instalments (see link - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263942/35062_Autumn_Statement_2013.pdf).

2. The Department is aware that many billing authorities are already responding positively to this commitment and are putting in place the necessary arrangements with local businesses wishing to take up this option.

3. The Department has now prepared the necessary Regulations to enable businesses to request the payment of their business rate bills through monthly instalments with effect from 1 April 2014. These Regulations will be laid in Parliament very shortly for them to come into force, subject to the Parliamentary process, from 1 April 2014. They amend the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as well as the equivalent Regulations for the central list) and follow a similar approach to that taken when 12 monthly instalments were introduced for council tax payers from the 2013-14 financial year.

4. A copy of the draft Regulations is attached so that billing authorities can see the Regulations that will apply as they prepare the billing arrangements for 2014-15.

5. Essentially, if a business submits a notice indicating that it wishes to pay its business rates bills by 12-monthly instalments to the billing authority in time for it to issue (or reissue) a demand notice by, or on, 15 April, then the billing authority will be required to allow the business to pay by 12 monthly instalments throughout the 2014-15 financial year. If the demand notice is issued after 15 April, then the number of instalments will be the number of full months remaining in the year. Once a business has submitted a request for monthly instalments, they do not need to reapply in future years - the arrangement for 12 monthly instalments will carry forward into future years unless the business requests an alternative approach.